

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

> **Board of Supervisors** GLORIA MOLINA First District

MARK RIDLEY-THOMAS Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

December 28, 2011

To:

Supervisor Zev Yaroslavsky, Chairman

Supervisor Gloria Molina

Supervisor Mark Ridley-Thomas

Supervisor Don Knabe

Supervisor Michael D. Antonovich

From:

William T Fujioka Ille 7. Soudt for

Chief Executive Officer

WASHINGTON, D.C. UPDATE ON TWO-MONTH EXTENSION OF THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM

This memorandum is to inform your Board that, on December 23, 2011, the President signed the Temporary Payroll Tax Cut Continuation Act of 2011 (H.R. 3765), which extends the Temporary Assistance for Needy Families (TANF) Program for two months through February 29, 2012.

H.R. 3765 also is the legislative vehicle for providing two-month extensions of the Social Security payroll tax cut, emergency Unemployment Insurance (UI) benefits, a Medicare "doc fix" to delay the implementation of an over 27 percent cut in Medicare physician payments, and transitional medical assistance for low-income workers who otherwise would lose Medicaid eligibility due to increased earned income. Both houses of Congress quickly approved H.R. 3765 with language which is nearly identical to the previous Senate-passed version of H.R. 3630 after House Republicans reversed their earlier opposition to the Senate bill's two-month extension language. A Senate-House conference committee on H.R. 3630 will negotiate longer term extension language after House Minority Leader Nancy Pelosi named Congress reconvenes in January. Representatives Becerra and Waxman from the County's Congressional delegation to serve on the bill's conference committee. No other Californians were named to the conference committee by House Speaker Boehner and Senate Majority Leader Reid.

Each Supervisor December 28, 2011 Page 2

The most contentious issues to be negotiated by the conference committee are the spending cuts and/or revenue increases which must be included to offset the additional cost of extending the payroll tax cuts and UI benefits and maintaining Medicare physician payments at their current levels. Extending TANF does not require offsetting costs because TANF block grant funding is included in the Congressional Budget Office's current law baseline. It is expected that TANF, which originally was due to expire at the end of Federal Fiscal Year (FFY) 2010, will be extended through the end of FFY 2012.

We will continue to keep you advised.

WTF:RA MR:MT:sb

c: All Department Heads Legislative Strategist